

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 193

BY EDUCATION COMMITTEE

AN ACT

RELATING TO SCHOOL DISTRICTS; AMENDING SECTION 33-309, IDAHO CODE, TO REMOVE A MANDATORY DUTY OF THE STATE BOARD OF EDUCATION, TO PROVIDE CERTAIN DISCRETIONARY AUTHORITY TO THE STATE BOARD AND TO MAKE TECHNICAL CORRECTIONS.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 33-309, Idaho Code, be, and the same is hereby amended to read as follows:

33-309. LAPSED DISTRICTS – ANNEXATION. (1) If the state board of education shall find any school district:

(a-) ~~Has not operated its school for a period of one (1) school year;~~  
(b-) ~~In which the average daily attendance during each term of not less than seven (7) months in the two (2) school years last past has been less than five (5) pupils;~~ or  
(c-) ~~For a period of not less than one (1) year last past has had an insufficient number of members on its board of trustees lawfully to conduct the business of the district;~~  
the ~~said~~ state board ~~of education shall~~ may enter its order declaring any such district to be lapsed, and which district shall lapse as of the first day of July next following the date of said order.

(2) Upon entering its order declaring a school district lapsed pursuant to subsection (1) of this section, ~~The state board of education shall thereupon~~ designate some proper person a hearing officer to conduct a public hearing or hearings on the matter of annexing the lapsed district to a school district or districts contiguous thereto. The state board ~~of education~~ shall cause notice of such hearing or hearings to be published in a newspaper of general circulation in the area and the notice shall state the time and place of the hearing or hearings and the subject matter involved.

(3) Upon concluding any hearing or hearings the hearing officer shall make his report and recommendation to the state board ~~of education~~, and the ~~said~~ state board shall thereafter order the lapsed area annexed to such contiguous district or districts as in the judgment of the ~~said~~ state board seems equitable and just. Any such annexation shall be effective as of the fifteenth day of August next following the date of the order of annexation.

(4) Whenever there is any outstanding unpaid bonded debt owed by the lapsed district, the state board ~~of education~~ shall, in its order of annexation, require the district, or one (1) of the districts, to which the lapsed area is annexed, to keep and maintain the bond register and to pay the principal and interest, when the same are due, out of the proceeds of any levy made for that purpose. The said order of annexation shall also provide for the transfer, or apportionment, to the annexing district or districts of the property and current liabilities of the lapsed district as in the judgment of the state board ~~of education~~ is equitable and just; provided, however, that if the lapsed district shall have excess of liquid assets over current liabilities, and if such lapsed

1 district shall have any outstanding unpaid bonded debt, then and in that event such excess shall  
2 be ordered transferred to a fund for the payment of the principal of and interest on such debt.

3 (5) When annexation has been completed, as hereinabove authorized, the state board  
4 ~~of education~~ shall give notice of such annexation to the officers of the lapsed district, if any  
5 there be, and to the board of county commissioners of any county in which shall lie any  
6 district, the boundaries of which have been changed by the annexation of the lapsed area. The  
7 notice to any board of county commissioners shall be accompanied by a legal description of the  
8 boundaries of the district or districts as changed by the annexation.